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September 2, 2014

Paul Sweeny Active Auto Dismantlers Inc. 15 Twenty Eight St. San Diego, CA 92102 VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Clean Water Act Notice of Intent to Sue/60-Day Notice Letter

Active Auto Dismantlers Supply Violations of General Industrial Permit

Dear Mr. Wheeler:

Please accept this letter on behalf of the Coastal Environmental Rights Foundation (CERF) regarding Active Auto Dismantlers' violations of the State Water Resources Control Board Water Quality Order No. 97-03-DWQ, Natural Pollutant Discharge Elimination System (NPDES), General Permit No. CAS000001, and Waste Discharge Requirements for Discharges of Storm Water Associated With Industrial Activities Excluding Construction Activities (General Industrial Permit). This letter constitutes CERF's notice of intent to sue for violations of the Clean Water Act and General Industrial Permit for Active Auto Dismantlers (Facility), as set forth in more detail below.

Section 505(b) of the Clean Water Act requires that sixty (60) days prior to the initiation of a citizen's civil lawsuit in Federal District Court under Section 505(a) of the Act, a citizen must give notice of the violations and the intent to sue to the violator, the Administrator of the U.S. Environmental Protection Agency, the Regional Administrator of the U.S. Environmental Protection Agency for the region in which the violations have occurred, the U.S. Attorney General, and the Chief Administrative Officer for the State in which the violations have occurred (33 U.S.C. § 1365(b)(1)(A)). This letter provides notice of Active Auto Dismantlers' Clean Water Act violations and CERF's intent to sue.

I. Coastal Environmental Rights Foundation (CERF)

CERF is a non-profit public benefit corporation organized under the laws of the State of California with its main office in Encinitas, CA. CERF is dedicated to the preservation, protection, and defense of the environment, the wildlife, and the natural resources of the California Coast. Members of CERF use and enjoy the waters into which pollutants from Active Auto Dismantlers ongoing illegal activities are discharged into the San Diego Bay. The public and members of CERF use the San Diego Bay to fish, sail, boat, kayak, surf, swim, scuba dive, birdwatch, view wildlife, and to engage in scientific studies. The discharge of pollutants by Active Auto Dismantlers affects and impairs each of these uses. Thus, the interests of CERF's members have been, are being, and will continue to be adversely

affected by Active Auto Dismantlers Owners and/or Operators' failure to comply with the Clean Water Act and the General Industrial Permit.

II. Storm Water Pollution and the General Industrial Permit

A. Duty to Comply

Under the Clean Water Act, the discharge of any pollutant to a water of the United States is unlawful except in compliance with certain provisions of the Clean Water Act. (See 33 U.S.C. § 1311 (a)). In California, any person who discharges storm water associated with industrial activity must comply with the terms of the General Industrial Permit in order to lawfully discharge. Active Auto Dismantlers enrolled as a discharger subject to the General Industrial Permit on November 11, 2011 for its facility at 2812 Commercial in San Diego, California.

Pursuant to Section C(1) of the General Industrial Permit, a facility operator must comply with all conditions of the General Industrial Permit. Failure to comply with the General Industrial Permit is a Clean Water Act violation. (General Industrial Permit, § C.1). Any non-compliance further exposes an owner/operator to an (a) enforcement action; (b) General Industrial Permit termination, revocation and re-issuance, or modification; or (c) denial of a General Industrial Permit renewal application. As an enrollee, Active Auto Dismantlers has a duty to comply with the General Industrial Permit and is subject to all of the provisions therein.

B. Failure to File An Annual Report

Section B(14) requires that all facility operators submit an Annual Report by July 1 of each year to the Executive Officer of the Regional Water Board responsible for the area in which the facility is located. The Annual Report must include a summary of visual observations and sampling results, an evaluation of the visual observation and sampling and analysis results, laboratory reports, the annual comprehensive site compliance evaluation report, an explanation of why a facility did not implement any activities required, and records specified in Section B(13) and B(14) of the General Industrial Permit. The Annual Report is necessary in order to assess the facility's compliance and prevent excess discharges from the facility into receiving waters (the San Diego Bay).

Every day the Active Auto Dismantlers Owners and/or Operators operate the Facility without reporting, as required by the General Industrial Permit, is a separate and distinct violation of the General Industrial Permit and Section 301(a) of the Clean Water Act, 33 U.S.C. §1311(a). The Active Auto Dismantlers Owners and/or Operators have been in daily and continuous violation of the General Industrial Permit's reporting requirements every day they fail to submit reports to the Regional Board – for a total of more than 360 days. The Active Auto Dismantlers Owners and/or Operators are subject to penalties for all violations of the General Industrial Permit and the Clean Water Act occurring since they failed to submit an annual report for the 2012-2013 and 2013-2014 years. Thus, the Active Auto Dismantlers Owners and/or Operators are liable for civil penalties and violations of the reporting requirements of the General Industrial Permit and the Clean Water Act, punishable

by a minimum of \$37,500 per day of violation. (33 U.S.C. §1319(d); 40 CFR 19.4).

C. Failure to Monitor

The Active Auto Dismantlers Owners and/or Operators have further failed to sample as required for the 2012-2013 and 2013-2014 years. Sections B(5) and (7) of the General Industrial Permit require dischargers to visually observe and collect samples of storm water discharged from all locations where storm water is discharged. Facility operators, including. Active Auto Dismantlers Owners and/or Operators, are required to collect samples from at least two qualifying storm events each wet season, including one set of samples during the first storm event of the wet season. Required samples must be collected by Facility operators from all discharge points and during the first hour of the storm water discharge from the Facility. Sampling of stored or contained storm water shall occur any time the stored or contained storm water is released. Active Auto Dismantlers Owners and/or Operators have failed to meet these monitoring requirements for the 2012-2013 and 2013-2014 period and are thus subject to penalties in accordance with the General Industrial Permit – punishable by a minimum of \$37,500 per day of violation. (33 U.S.C. §1319(d); 40 CFR 19.4).

D. Inadequate Storm Water Pollution Prevention Plan

One of the main requirements for the General Industrial Permit is the Storm Water Pollution Prevention Plan (SWPPP). (General Industrial Permit §A). Active Auto Dismantlers has not developed a SWPPP as required by the General Permit.

The SWPPP has two major objectives: (1) to help identify the sources of pollution that affect the quality of industrial storm water discharges and authorized non-storm water discharges, and (2) to describe and ensure the implementation of BMPs to reduce or prevent pollutants in industrial storm water discharges and authorized non-storm water discharges. (General Industrial Permit, Fact Sheet, p. IX).

Every day the Active Auto Dismantlers Owners and/or Operators operate the Facility without a SWPPP, there is a separate and distinct violation of the General Industrial Permit and Section 301(a) of the Clean Water Act, 33 U.S.C. § 1311(a). The Active Auto Dismantlers Owners and/or Operators have been in daily and continuous violation of the General Industrial Permit for not submitting a SWPPP since enrollment on November 11, 2011. These violations are ongoing and the Active Auto Dismantlers and/or Operators will continue to be in violation every day they fail provide a SWPPP for the Facility. Thus, the Active Auto Dismantlers and/or Operators are liable for civil penalties of up to \$37,500 per day of violation for 972 violations of the General Industrial Permit and the Clean Water Act.

III. Remedies

Upon expiration of the 60-day period, CERF will file a citizen suit under Section 505(a) of the Clean Water Act for the above-referenced violations. During the 60-day notice period, however, CERF is willing to discuss effective remedies for the violation noted in this letter. If you wish to pursue such discussions in the absence of litigation, it is suggested that you initiate those discussions immediately. If good faith negotiations are not being made, at the close of the 60-day notice period, CERF will move forward expeditiously with litigation.

CERF's action will seek all remedies available under the Clean Water Act § 1365(a)(d). CERF will seek to enjoin the illegal discharges unless Atlas Construction Supply submits its annual report as mandated by the Clean Water Act. CERF will also seek the maximum penalty available under the law which is \$37,500 per day for failure to submit the 2012-2013 and 2013-2014 Annual Reports.

Active Auto Dismantlers must develop and implement a SWPPP and submit its annual report for the 2012-2013 and 2013-2014 years, consistent with the sampling and monitoring of storm water discharges required in the General Industrial Permit. Should Active Auto Dismantlers Owners and/or Operators fail to do so, CERF will file an action against Active Auto Dismantlers for its prior, current, and anticipated violations of the Clean Water Act.

CERF may further seek a court order to prevent Active Auto Dismantlers from discharging pollutants. A strong or substantial likelihood of success on the merits of CERF's claim exists, and irreparable injuries to the public, public trust resources, and the environments will result if Active Auto Dismantlers further discharges pollutants into the San Diego Bay. The cessation of Active Auto Dismantlers discharge will not cause substantial harm to others, and the public interest would be served in preventing discharge of pollutants into receiving waters.

Lastly, section 505(d) of the Clean Water Act, 33 U.S.C. § 1365(d), permits prevailing parties to recover costs, including attorneys' and experts' fees. CERF will seek to recover all of its costs and fees pursuant to section 505(d).

IV. Conclusion

CERF has retained legal counsel to represent it in this matter. Please direct all communications to Coast Law Group:

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CERF will entertain settlement discussions during the 60-day notice period. Should you wish to pursue settlement, please contact Coast Law Group LLP at your earliest convenience.

Sincerely,

COAST LAW GROUP LLP

Marco A. Gonzalez

Livia Borak

Attorneys for

Coastal Environmental Rights Foundation

CC:

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|---|--|
| Alexis Strauss, Deputy Regional Administrator | Catherine Hagan, Staff Counsel |
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